LYNX UCITS FUND

A SUB-FUND OF THE LYNX UCITS FUNDS ICAV

ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS

For the period
from 11 December 2018 (date of incorporation)
to 31 December 2019

LYNX

LYNX UCITS FUND

MANAGEMENT AND ADMINISTRATION

Registered Office	5 George's Dock International Financial Services Centre Dublin 1 Ireland
Directors	Brian Dunleavy* Fiona Mulhall** Marcus Andersson*
Manager	KBA Consulting Management Limited 5 George's Dock International Financial Services Centre Dublin 1 Ireland
Investment Manager and Distributor	Lynx Asset Management AB Regeringsgatan 30-32 Box 7060 SE – 103 86 Stockholm Sweden
Depositary	HSBC France, Dublin Branch 1 Grand Canal Square Grand Canal Harbour Dublin 2 Ireland
Administrator	HSBC Securities Services (Ireland) DAC 1 Grand Canal Square Grand Canal Harbour Dublin 2 Ireland
Legal Counsel (as to Irish law)	Matheson Sir Rogerson's Quay Dublin 2 Ireland
Independent Auditor	KPMG Chartered Accountants 1 Harbourmaster Place International Financial Services Centre Dublin 1 Ireland
Secretary	KB Associates 5 George's Dock International Financial Services Centre Dublin 1 Ireland

* *Non-executive director*
** *Non-executive independent director*

LYNX UCITS FUND

A SUB-FUND OF THE LYNX UCITS FUNDS ICAV

ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS

For the period from 11 December 2018 (date of incorporation) to 30 June 2019

This document is a copy of the original Annual Report and Financial Statements for the Lynx UCITS Fund. This version has not been reviewed by the auditor of the ICAV-fund. A copy of the signed original can be requested free of charge from the Manager. In case of discrepancies between this document and the signed original, the signed original shall prevail.

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DIRECTORS' REPORT

For the period from 11 December 2018 (date of incorporation) to 31 December 2019

The Directors present their report for Lynx UCITS Fund (the "Fund"), a sub-fund of the Lynx UCTIS ICAV (the "ICAV"), and audited financial statements for the period from 11 December 2018 (date of incorporation) to 31 December 2019.

The Directors have opted to prepare separate reports and financial statements for each of the sub-funds in accordance with the Irish Collective Asset-management Vehicles Act 2015 (the "ICAV Act"). As of 31 December 2019, the ICAV has established one other sub-fund, Lynx Active Balanced Fund. The reports and financial statements for Lynx Active Balanced Fund are available free of charge on request from the Manager. Any reference hereafter to the financial statements will mean the financial statements of the Fund of the ICAV.

PRINCIPAL ACTIVITIES

A detailed review of the Fund's activities for the period from 11 December 2018 (date of incorporation) to 31 December 2019 is included in the Investment Manager's Report on pages 10-16.

DIRECTORS' RESPONSIBILITIES STATEMENT

The Directors are responsible for preparing the Directors' Report and financial statements, in accordance with applicable law and regulations.

The ICAV Act requires the Directors to prepare financial statements for each financial period. Under that law, they have elected to prepare the financial statements in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union ("EU") and applicable law.

The financial statements are required to give a true and fair view of the assets, liabilities and financial position of the Fund at the end of the financial period and of the profit or loss of the Fund for the financial period.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether they have been prepared in accordance with IFRS as adopted by the EU; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the ICAV will continue in business.

The Directors are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the assets, liabilities, financial position and profit or loss of the Fund and enable them to ensure that the financial statements comply with the ICAV Act, the European Communities (Undertaking for Collective Investment in Transferable Securities) Regulations 2011 (as amended) and the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2019 "The Central Bank UCITS Regulations"). They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the ICAV. In this regard, they have entrusted the assets of the ICAV to HSBC France, Dublin Branch, as Depositary, for safekeeping. They have general responsibility for taking such steps as are reasonably open to them to prevent and detect fraud and other irregularities. The Directors are also responsible for preparing a Directors' Report that complies with the requirements of the ICAV Act.

RESULTS AND DIVIDENDS

The results of operations for the period and the financial position as at the end of the period are set out in the Statement of Comprehensive Income and the Statement of Financial Position on page 21 and 20 respectively. There were no dividends declared during the period.

RISK MANAGEMENT OBJECTIVES AND POLICIES

The main risks arising from the Fund's financial instruments as defined by IFRS 7 for financial reporting purposes are market risk (including market price risk, interest rate risk and foreign currency risk), credit risk and liquidity risk as detailed in Note 11 on pages 32-37 in these financial statements.

DIRECTORS WHO HELD OFFICE DURING THE PERIOD

The Directors who held office at any time during the period were: Brian Dunleavy, Fiona Mulhall and Marcus Andersson.

DIRECTORS' AND SECRETARY'S INTERESTS IN SHARES OF THE ICAV AND ITS FUND

None of the Directors nor the ICAV Secretary or their respective families held any interest, beneficial or otherwise, in the share capital of the ICAV during or at the end of the financial period.

The Board of Directors are not aware of any contracts or arrangements of any significance in relation to the business of the ICAV in which the Directors had any interest at any time during the period ended 31 December 2019.

TRANSACTIONS INVOLVING DIRECTORS

Other than as disclosed in Note 5 on pages 30-31 and Note 15 on page 39 to the financial statements, there were no contracts or agreements of any significance in relation to the business of the ICAV or the Fund in which the Directors had any interest, as defined in the ICAV Act, at any time during the period.

TRANSACTIONS WITH CONNECTED PERSONS

The Central Bank UCITS Regulations require in effect that any transaction carried out with a UCITS by a management company or depositary to the UCITS, the delegates or sub-delegates of the management company or depositary, and any associated or group of such a management company, depositary, delegate or sub-delegate ("connected persons") must be carried out as if negotiated at arm's length. Transactions must be in the best interests of the shareholders.

The Directors are satisfied that there are arrangements (evidenced by written procedures) in place, to ensure that the obligations set out in Regulation 43(1) of the Central Bank UCITS Regulations are applied to all transactions with connected persons, and are satisfied that transactions with connected persons entered into during the year complied with the obligations set out in Regulation 43(1) of the Central Bank UCITS Regulations.

ACCOUNTING RECORDS

The Directors believe that they have complied with the requirements of Sections 109 to 113 of the ICAV Act, with regard to keeping adequate accounting records. The Directors have appointed HSBC Securities Services (Ireland) DAC to maintain adequate accounting records.

The address at which this business is located is as follows:

1 Grand Canal Square
Grand Canal Harbour
Dublin 2
Ireland

SIGNIFICANT EVENTS DURING THE PERIOD

Each of the Administrator, Depository, Investment Manager, Manager and other service providers to the ICAV and their delegates may be affected by force majeure events (i.e., events beyond the control of the party claiming that the event has occurred, including, without limitation, acts of God, fire, flood, earthquakes, outbreaks of an infectious disease, pandemic or any other serious public health concern, war, terrorism and labour strikes, major plant breakdowns, pipeline or electricity line ruptures, failure of technology, defective design and construction, accidents, demographic changes, government macroeconomic policies and social instability). Some force majeure events may adversely affect the ability of any such parties to perform their obligations to the ICAV until they are able to remedy the force majeure event. While it is expected that such service providers will implement contingency plans for addressing force majeure events it is possible that such force majeure events exceed the assumptions of such plans.

Certain force majeure events (such as war or an outbreak of an infectious disease) may also have a broader negative impact on the world economy and international business activity generally, or in any of the countries in which the Fund may invest specifically. Since late 2019, several countries have experienced outbreaks of a novel coronavirus (nCoV) which is from a family of viruses that cause illnesses ranging from the common cold to more severe diseases. Any spread of an infectious illness or similar public health threat could reduce consumer demand or economic output, impact on the market value of investments, result in market closures, travel restrictions or quarantines, and generally have a significant impact on the world economy and disrupt markets. The nature and extent of the impact of such events is difficult to predict but they may adversely affect the return on the Fund and its investments.

Significant events during the period are disclosed in Note 16 on page 40.

SUBSEQUENT EVENTS AFTER THE PERIOD END

Subsequent events after the period end are disclosed in Note 17 on page 40.

CORPORATE GOVERNANCE CODE (THE "CODE")

Irish Funds, the association for the funds industry in Ireland, has published a corporate governance code that may be adopted on a voluntary basis by Irish authorised investment funds. The Board of Directors have adopted the Code, and the ICAV was in compliance with all elements of the Code during the period.

AUDITORS

KPMG, Chartered Accountants, were appointed during the financial period in accordance with Section

125(2) of the ICAV Act and have expressed their willingness to continue in accordance with *Section 125(1) of the ICAV Act*.

On behalf of the Board of Directors

Brian Dunleavy *Fiona Mulhall*

22 April 2020

INVESTMENT MANAGER'S REPORT

For the period from 11 December 2018 (date of incorporation) to 31 December 2019

Directly following the merger of the MS Lynx UCITS Fund on the 1 March 2019, the Lynx UCITS Fund commenced its trading activities and ended 2019 up 15.36 per cent[1], the strongest annual result for the Lynx program since 2014[2]. Fixed income and equities were particularly profitable as the models capitalized on opportunities across global markets. Meanwhile, trading in foreign exchange and commodities was more challenging as losses in both sectors detracted from the overall return. While the entire managed futures industry generally performed well, the Lynx program outperformed our peer group on a relative basis: the Société Générale CTA Index (a leading industry benchmark) closed the year up 6.39 per cent. Since inception of the Lynx program in 2000, it has generated a cumulative return of 503.71 per cent, which equates to an average annual return of 9.57 per cent[3]. The risk, as measured by annualized standard deviation, has been 15.09 per cent, resulting in a Sharpe ratio of 0.53. Over the same period, the standard Lynx program has had a correlation of -0.14 to equities[4], proving to be a valuable diversifier in a traditional investment portfolio.

PERIOD IN REVIEW

Politics dominated the headlines in 2019, but astonishingly had very little lasting negative impact on financial markets. We faced Presidential impeachment, impending Brexit, and global trade wars, with no more response than a few temporary pullbacks in asset prices. Corporate earnings declined and global growth slowed, most notably in China, but market sentiment remained reasonably strong. The US yield curve inverted midway through the period, leading many to forecast an imminent recession, but normalized soon after easing those concerns. Even geopolitical conflict in the Middle East and heightened tensions in North Korea and Venezuela did not seem to cause much distress. Attention always seemed to return to the most sensationalistic stories.

Donald Trump and US politics

People across the globe got an education on the US Constitution in 2019: separation of powers, obstruction of justice, and presidential impeachment were terms that recurrently appeared in headlines throughout the period. 2019 began with Special Counsel Robert Mueller completing his investigation into Russian interference in the 2016 US Presidential election. After Mueller failed to find any evidence of collusion and declined to prosecute the President for obstruction, Trump immediately declared victory. However, a new scandal was already on the horizon.

During what Trump declared was a "perfect" phone call with newly elected Ukrainian president Volodymyr Zelensky, an unidentified whistleblower claimed the US president used the power of his office to pressure the Ukrainian leader into investigating the family of a political rival, Joe Biden. Following testimony from career diplomats and presidential appointees, the US House of Representatives impeached Trump on December 18th for abuse of power and obstruction of Congress. Whether due to an alignment of beliefs, fear of reprisal from the President, or self-preservation in the face of upcoming elections, impeachment was approved without any support from the Republican party. Increased partisanship has resulted in a political impasse in Congress, and this vote was another sign that conditions were not improving. In prior generations, the uncertainty created by this effective legislative stalemate may have impacted market sentiment. With no clear path forward, making the decision on how to invest for the future is challenging. However, this generation is different.

Along with his approval rating, stock market performance has become one of the most important indicators Trump has quoted to validate his success as president. From deregulation to the implementation of corporate tax cuts and even attempts to influence Fed policy, Trump's objective has been to raise the prices of financial assets. Markets continued to respond positively in 2019 as major stock indices in the US reached new record highs, with the S&P and NASDAQ experiencing their strongest performance since 2013.

Brexit

Over 60 years after the formation of the European Economic Community – the predecessor to the European Union – a member nation has left the Union. The first British referendum on EU membership was held in June 2016 and months after the votes were counted, Article

[1] The official performance for the fund is represented by Class I USD Original Series.
[2] The Lynx program is a trading strategy which is proprietary developed by Lynx Asset Management and was launched in May 2000.
[3] The figures apply to the Swedish onshore Lynx Fund which was launched in April 2000.
[4] Equity is represented by the MSCI World NDTR Index.

50 was triggered beginning the two-year countdown to Brexit. Following a tumultuous few years, which included multiple delays and Parliamentary battles, the course now appears more defined. Theresa May's resignation paved the way for Boris Johnson to assume responsibility for Brexit negotiations in July. Johnson controversially appealed to the Queen of England to extend a break of Parliament to limit their ability to derail negotiations, which was granted but then quickly overruled by the UK supreme court. However, snap elections were called in December which resulted in a landslide victory for Johnson's Conservative Party, empowering him to follow through on the Withdrawal Agreement Bill. The potential direct and indirect consequences of Brexit remain hard to define. UK formally left the EU on January 31, 2020. However, they will retain all established trading agreements through a transition period scheduled to culminate at the end of the year. The bilateral agreements which are ultimately negotiated may look similar to existing pacts, or vastly different. While this uncertainty continued to keep the British pound at relatively depressed levels, the confidence that the UK would not leave without a deal in place ("hard Brexit") resulted in a modest appreciation in the currency during the latter part of the year. Similarly, increasing optimism regarding the outcome of the negotiations contributed to rising equity markets not only in the UK, but continental Europe, as well.

Trade wars

In March of 2018, the Trump administration instituted tariffs on steel and aluminum imported into the US, immediately generating concern over a global trade war. While tensions subsided over the coming months as Trump was able to successfully renegotiate a number of trade agreements, that was not the case with China. Negotiations have been slow and, at times, contentious as both nations have imposed billions of dollars in tariffs on one another's goods without achieving a resolution. Even before his election, Trump contended that China engaged in unfair trade practices with the US, manipulated their currency to support exporters, and illegally commandeered intellectual property. Meanwhile, China has argued that by imposing protectionist measures after decades of trade, the US is attempting to slow their ascent as a global economic force. The impact of these negotiations was felt across asset classes, from equities, to bonds, to commodities. Global central bankers used the standoff to justify easing monetary policy, corporations lowered earnings estimates to account for the slowdown in economic activity, and farmers sought additional government subsidies to continue operating. In December, the two sides announced a preliminary agreement that was met with cautious optimism. This "phase one" deal calls for a reduction in some US tariffs in exchange for increased Chinese purchases of American goods and improved intellectual property protections. Equities and base metals rose on the news while bonds declined on expectations of an increase in global trade. However, many points of contention remain for both sides and negotiations will continue as the period progresses.

MARKET DEVELOPMENT

Equities proved to be remarkably resilient throughout the period, while other asset classes fluctuated as political and macroeconomic storylines unfolded. Most global stock indices ended 2019 significantly higher, with the MSCI World Index experiencing the strongest performance since 2009 and major US markets eclipsing previous highs. Modest market corrections in May and July quickly recovered as accommodative monetary policy and improving sentiment were ultimately sufficient to support prices. Meanwhile, fixed income markets experienced a relatively large price swing between the first and second half of the period. Early in the period, increasingly dovish comments from the Fed, concerns surrounding Brexit and unexpectedly weak economic data out of Europe resulted in a sharp decline in yields. By July, an escalating trade war between the US and China and an inverted US yield curve had many investors fearing the potential of a global recession. However, the curve normalized reasonably quickly, trade tensions abated and yields began to climb in the months that followed. In foreign exchange, while the US economy generally outpaced those in Europe and Japan, weak dollar rhetoric from the White House and surprisingly accommodative monetary policy in the US resulted in broad fluctuations in the greenback. The Japanese yen periodically spiked on geopolitical shocks – only to reverse once the risk abated – and sterling climbed after a new draft Brexit agreement was published and the EU extended the ratification deadline until January 2020, but there were few catalysts driving sustained exchange rate trends. In commodities, crude oil rallied sharply during the first quarter on decreasing Middle Eastern production and collapsing Venezuelan exports due to debilitating sanctions. Prices fluctuated broadly afterwards without a defined trend, falling on rising US output over the summer only to climb as OPEC and other major producers agreed to cut production later in the year. Base metals prices fluctuated on the status of trade negotiations between the US and China, although precious metals climbed markedly higher on a general depreciation in fiat currency.

ANALYSIS OF THE RESULT

The Fund's total return for the period 1 March 2019 to 31 December 2019 in March 2019 by share class is shown in the table below.

[1] *Class D USD was launched in June 2019.*

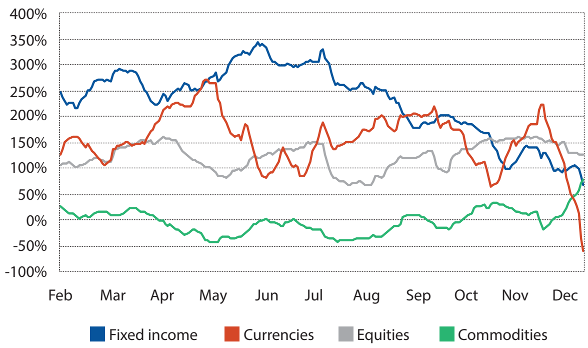

Chart 1. *Net exposure by asset class for the period 1 March 2019 to 31 December 2019.*

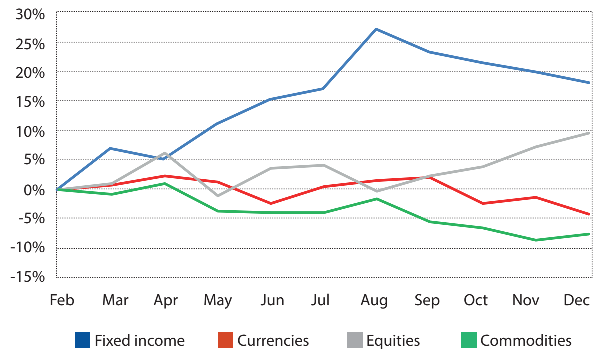

Chart 2. *Contributions to performance by asset class for the period 1 March 2019 to 31 December 2019.*

Class E USD	15.65
Class E EUR	13.08
Class I USD	15.36
Class I EUR	12.80
Class I CHF	12.16
Class D USD[4]	5.16

Strong performance in 2019 can been attributed primarily to fixed income and equities, as foreign exchange and commodities detracted from the annual result. Chart 2 shows the contribution to performance by asset class during the year. The table below illustrates the gross sector performance per asset class for the program in 2019:

Return by Asset Class[5]	***2019***
Fixed income-related investments	19.1%
Equity-related investments	10.3%
Currency-related investments	-5.3%
Commodity-related investments	-9.3%
Other (management fees, interest, etc.)	0.6%
Total Return	**15.4%**

Global bonds were particularly profitable, but also short-term interest rates were also positive bringing the gain in fixed income to 19.1 per cent. The portfolio maintained long positions across global bond markets entering the period given the financial turmoil in the preceding fourth quarter, and realized solid gains as yields continued to trend lower through the summer months. However, rates unexpectedly reversed in September on optimism regarding Brexit and global trade. Net fixed income exposure declined dramatically throughout the remainder of the period as the global growth outlook continued to improve, although some of the early profits were given back. Medium to long-term trend models performed particularly well in the sector, although medium-term diversifying models were also profitable.

Despite lagging behind fixed income, equity indices contributed positively, generating a gain of 10.3 per cent in 2019. Early in the period surprisingly dovish indications from the US Fed resulted in a remarkable reversal in stock prices. Although net equity exposure was initially low for the Lynx program given market troubles late in 2018, risk increased quickly as prices rallied on generally accommodative monetary policy and improving sentiment. Despite a couple of pullbacks in May and July on concerns regarding trade, most equity indices ended the period solidly higher. Lynx profits were generated across the globe, with European bourses leading the way followed by the US and Asia. Trend models modestly outperformed their diversifying counterparts during the period, with long-term time frames performing particularly well.

Offsetting some of the gains in fixed income and equities were losses in commodities which contributed a negative -9.3 per cent to the return. Energies were particularly challenging, generating a loss of -7.0 per cent. After trending lower in the fourth quarter of 2018, crude oil prices reversed dramatically in January resulting in a sharp sector loss. In other commodities, agricultural markets and base metals also detracted from performance, although precious metals contributed positively, specifically due to long positions in gold and silver. Trend following models were responsible for a majority of the loss in the asset class, with all time frames suffering.

Foreign exchange further eroded the overall gain, producing a loss of -5.3 per cent. Until midway through December, the portfolio was positioned for a stronger US dollar mainly against other developed market currencies. Profits accrued through the end of the second quarter, primarily due to a short position in the euro, but range bound price action over the summer and a sharp weakening of the greenback in the fourth quarter was challenging. Positions against the British pound were particularly unprofitable, although trading in the

[5] *Figures for the period 1 March 2019 to 30 December 2019.*

Japanese yen also resulted in a loss as the currency vacillated throughout the period. Trend following models were unprofitable across timeframes, although diversifying models were mixed. Chart 1 shows the net exposure by asset class during the period.

In aggregate, a 12.4 per cent profit in trend following models was complemented by a 2.4 per cent gain in diversifying models. Long and medium-term trend models were both profitable, while a slight loss accrued in the short-term time frame. In the diversifying segment of the portfolio, medium-term models were responsible for a majority of the gain as long and short-term parameters were largely flat. Machine learning models performed particularly well, while fundamental models had some difficulty in foreign exchange.

The table below illustrates a summary of gross performance by model category:

Return by Model Type[6]	**2019**
Trend following models	**12.4%**
Of which short-term	-0.4%
medium-term	8.0%
long-term	4.8%
Diversifying models	**2.4%**
Of which short-term	0.1%
medium-term	2.6%
long-term	-0.3%
Other (management fees, interest, etc.)	0.6%
Total Return	**15.4%**

RISK

To achieve the fund's volatility target of 18 per cent annualized standard deviation, the average Value at Risk for the portfolio should equate to approximately 1.9 per cent (1-day, 95 per cent confidence interval). During 2019, the average VaR for the Lynx program was around 1.6 per cent. The chart below illustrates the VaR development during the period on the portfolio basis and by asset class. Note that the VaR increased late in the period

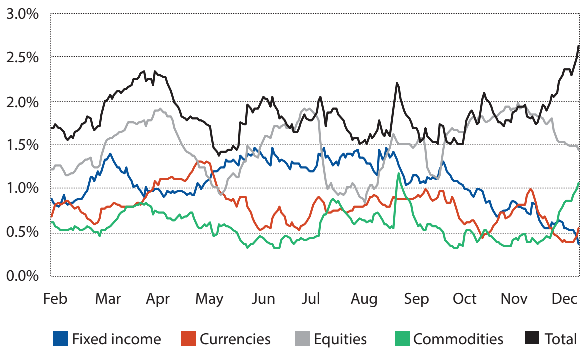

Chart 3. *Value at risk for the period 1 March 2019 to 31 December 2019.*

even as equity risk was falling. The significant decline in fixed income – an asset class that has been negatively correlated to stocks in recent periods – and an increase in commodities are mainly responsible for the rise. The ex-ante risk estimate remained well below the 3% maximum threshold, and these levels have been seen many times in past.

INVESTMENT PROCESS

The six portfolio managers of Lynx Asset Management constitute the investment committee of the Lynx program and are responsible for the strategic direction and management of the fund. As trading decisions are made by the approximately 40 models currently employed in the program, the investment committee focuses primarily on longer term matters including: determining which models are included in the portfolio and the risk allocated to each, as well as setting the average risk budgeted to each asset class and market. The model lineup and risk allocations are formally reevaluated twice a year in June and December. The investment committee and the research team work diligently throughout the period leading up to these revisions. As early as four months before the actual implementation, the research department submits proposals for new models and each model is carefully evaluated by a reference group in the research team and the investment committee. To be approved by the investment committee, a new model must not only demonstrate the ability to generate positive results across multiple time periods, but also display attractive return characteristics in a number of key aspects. The metrics used in model evaluation include the expected marginal contribution to the existing portfolio of models, behavior in extreme market situations and the return profile of long and short positions. In addition, the model's underlying foundational concept is discussed and analyzed. As part of the semiannual evaluation, all models that are already employed in the portfolio are reviewed to ensure that performance has not deviated from historical expectations. Their contribution to the portfolio return is also analyzed as this contributes to the decision of how much risk to budget over the coming months. The investment committee also discusses the overall portfolio characteristics of the models to determine whether it would be desirable to change the allocations to adjust exposure to asset class or time horizon. During the period, five new models were added to the portfolio, while four models were retired. As in recent years, more sophisticated implementations of trading concepts replaced older, legacy models. Additionally, adaptive models based on machine learning techniques and quantitative macro models using fundamental data to forecast prices continued to be introduced into the portfolio.

[6] *Figures for the period 1 March to 30 December 2019.*

Five models added

The first model added to the portfolio utilizes a machine learning technique to trade across a broadly diversified portfolio of markets. The second model is an advanced methodology that applies trend filters and factor estimates to modified time series; this model similarly trades across asset classes. The next model uses machine learning techniques and principal component analysis to trade broadly diversified baskets of markets. The fourth model employs a quantitative macro approach that uses both fundamental and technical indicators to forecast and trade global bond futures. The final model utilizes a neural network machine learning technique using intraday data to forecast prices across asset classes. Four models retired – Two models retired in 2019 were from the diversifying category and two from the trend group. The first model retired was a short-term approach based on mean reversion. The second employed a long-term quantitative macro methodology trading only currencies. The third was a legacy binary long-term trend model which was phased out as newer, more profitable models were developed. The final model was a short-term trend approach which was a variation of another model still employed in the Lynx program. Along with the model changes, the allocation by model type was adjusted marginally, with trend following models decreasing from 78 per cent to 72 per cent and diversifying models increasing from 22 per cent to 28 per cent. The weight allocated to long-term strategies was reduced slightly with the risk shifted to the medium term models, while short-term models were largely unchanged. The average risk allocation amongst asset classes was adjusted slightly, with foreign exchanged raised 1 per cent to 23 per cent and commodities lowered by 1 per cent to 21 per cent. The average target risk budget in fixed income and equities remained unchanged at 28 per cent each. The table below illustrates the allocations to each model category as of the end of 2019 compared to these same figured from the end of 2018 (in parentheses):

Target allocation between model types[7]

	Trend-following models	Diversifying models
Short-term	10% (9)	3% (4)
Medium-term	38% (38)	21% (15)
Long-term	22% (29)	7% (5)

Finally, Lynx Asset Management launched a new strategy in October 2019: Lynx Constellation. The strategy utilizes the machine learning models employed in our flagship since 2011. Constellation has an absolute return objective and is designed to have low correlation to traditional markets and trend following strategies. More information on all programs managed by Lynx can be found at www.lynxhedge.se.

ORGANIZATION

Over the course of 2019, Lynx increased headcount by 13 people, bringing the total number of employees to 80. In September alone, we added four new senior researchers to the team, each with unique areas of expertise ranging from macroeconomic fundamental analysis to statistical modeling. Over half of the team remains dedicated to research and development, and recent additions highlight our commitment to improving and expanding our asset management capabilities. Additionally, we welcomed a new portfolio manager in the Lynx program as David Jansson replaced Anders Holst on the investment committee. David has been with Lynx since 2005 and provides a unique technical and practical perspective regarding the implementation of the program as the head of Execution Research.

SUSTAINABILITY

Sustainability at Lynx

Lynx strive to be a responsible investor. As the program invests in derivatives which do not carry voting rights, we are unable to exercise active ownership or influence companies in the same way as equity funds. Our sustainability efforts are instead aimed at promoting the development of sustainable markets and the long-term sustainability of the society at large.

Sustainability activities in 2019

In 2018, Swiss Sustainable Finance (SSF) coordinated an initiative for an open letter to global index providers to exclude controversial weapons from mainstream indices. In March 2019, Lynx became a signatory of this effort along with 166 signatories representing approximately USD 8.8 trillion in assets. In addition to this initiative and in light of our commitment to responsible investing and our aspiration to be early adopters, we acknowledge the emergence of equity index futures that incorporate ESG factors into their construction process. In 2019, Lynx intensified the monitoring of this development and assessed several of these index futures. As a result, some of them will be included in our portfolios in 2020. Lynx Dynamic, one of the strategies managed by Lynx Asset Management, ceased trading energy contracts at the end of 2019. However, the fund will continue to trade metals and agriculture futures: a total of 25 commodity contracts. Where our interests and approaches are aligned, Lynx engages with other market participants to apply the concept of responsible investments and to improve standards for the indu-

[7] *Due to diversification effects the numbers in the table do not sum up to total risk per model type.*

stry. We regularly attend conferences and seminars and participate in panels and we regularly train our staff on code of ethics and compliance issues covering hedge fund investments and responsible investments.

Reporting

Lynx Asset Management has adopted a policy that outlines how we apply sustainability principles as a company and in our investment process as well as how we promote responsible investment throughout the industry. The policy is reviewed and approved by the Lynx Asset Management Board of Directors on an annual basis or if needed. The directors also ensure compliance through the company's internal control procedures. Lynx has been a signatory of the United Nations Principles for Responsible Investment (UN PRI) since 2016. The PRI are aimed at introducing and implementing ESG aspects in our daily work and in our investments. Lynx reports annually to PRI on its responsible investment activities. The company is a signatory of the Standards Board for Alternative Investments (SBAI). The SBAI is an initiative that is aimed at creating and promoting standards of good governance, transparency, valuation, risk management and shareholders' conduct for the alternatives industry. Our compliance with the standards can be found in the "Disclosure letter", available upon request.

ASSETS UNDER MANAGEMENT

Total assets under management in the Lynx program at the end of 2019 were approximately SEK 45.9 billion, compared with SEK 45.5 billion at the end of 2018. Most of the program's assets are invested in separately managed client accounts.

OUTLOOK

Excess liquidity and low sovereign bond rates have contributed to a remarkable search for yield in recent years. As volatility has remained compressed and central banks have quickly responded to deflationary shocks, investors have been rewarded for making increasingly risky bets. However, this status quo is unlikely to persist indefinitely. We see potential disruptive catalysts on the horizon, some of which are mentioned below:

Monetary policy normalization

While monetary policy remains extraordinarily accommodative, there are increasingly signs that policy normalization is approaching. Unemployment rates continue to fall across most high income countries, an amenable resolution to Brexit appears possible, and trade wars could soon be resolved resulting in the potential for increased global growth. Markets have become dependent on the support of global central banks. Once policy focus shifts away from asset prices to economic fundamentals, investors will need to adjust. The exceptionally low volatility environment that has characterized the years since the end of the global financial crisis will likely end abruptly. Inflationary pressures – which have been almost nonexistent in recent years – may reemerge. Should this occur, the opportunities for active management should abound. Conversely, if the outlook darkens and deflationary pressures build, central bankers lack the same firepower to react than in prior crises. Even extraordinary measures may fall short.

De-Globalization

The industrialization of many emerging markets has clearly benefited global consumers over the past 40 years. Developing economies that have built the infrastructure to expand manufacturing have profited from above average growth, and their populations a corresponding increase in household income. However, the consequence for many people in those countries now producing a smaller share of global goods has been arguably negative. The positive impact of globalization for multinational corporations has also been significant, although the benefit has been disproportionally skewed towards those owning the equity of those companies. In summary, the income disparity between the people in emerging and established markets has narrowed on average at the same time that the wealth gap between different socioeconomic groups in the developed world has widened. Increasingly populist and nationalist views are being promoted by politicians attempting to capitalize on the disaffection this has created in the middle class. Global cooperation is being replaced by protectionism in an effort to bring manufacturing home. Once extreme policies on immigration are becoming more commonplace, integrated into the platforms of established political parties or coalition governments. We have begun to see some of the impact playing out around the globe in the form of social unrest, but thankfully on a limited scale. However, the trend is clear and the potential for more substantive disruptions a distinct possibility.

Geopolitical risks

Outside the potential negative implications from heightened nationalism, geopolitical risks are as significant now as at any time in recent history. The situation in Iran is arguably the most dire as crushing economic sanctions have created financial hardship and social unrest that threaten the current regime; the economy is shrinking, unemployment is rising, and the price of goods is inflating. As conflict with the US intensifies, the potential for a larger scale conflict becomes a distinct possibility. Additionally, Western relations with North Korea have again deteriorated, Venezuela remains in crisis, and both Russia and China have expanded efforts to exert their regional military influence.

As 2019 illustrated, the Lynx program has the ability to perform well in a normal market environment – traditional markets climbed during the year and the program was able to capture these movements effectively. However, we recognize that this environment is not when we truly prove our value in a diversified portfolio. At the time of writing, the coronavirus pandemic is having a significant impact on global markets and investor sentiment. Growth expectations have collapsed as a large portion of the world's population has been self-quarantining and global commerce has slowed. Initially, extraordinary monetary policy adjustments did little to control a selloff in risk assets as the crisis escalated, although massive fiscal stimulus measures implemented since have helped ease the stress on the financial system. With unemployment increasingly dramatically across the globe, governments will likely need to supply additional direct support to their populations. The situation is exceptionally fluid and the potential for continued heightened market volatility and price dislocations remains elevated. As a business, Lynx has addressed the challenges COVID-19 poses to the organisation and is in a good position to continue operating efficiently even should the crisis escalate.

History has shown that in times of market turmoil, when price action is driven by fear and technical factors, the Lynx program has performed best. While we are unable to predict when the environment will change, we are confident that the Lynx program is in a unique position to react as it does.

Despite the current situation, we have a strong commitment to move forward developing new models and improving our existing models to succeed in the future. I believe that our business requires us to constantly innovate and adapt to retain our edge. Current research projects offer exciting possibilities and I believe that our advancements in machine learning will continue to set us apart from the rest of our peers. We are committed to maintaining a robust infrastructure to support our research and development, and to employing a diverse and exceptional group of people to make our vision a reality. Your confidence and faith drive us to perform and I hope that we will be able to reward your trust in 2020 and beyond.

Svante Bergström
Portfolio manager

DEPOSITARY'S REPORT TO THE SHAREHOLDERS

For the period from 11 December 2018 (date of incorporation) to 31 December 2019

We, HSBC France, Dublin Branch, appointed Depositary to Lynx UCITS Fund (the "Fund") provide this report solely in favour of the Shareholders of the Fund for the period from 11 December 2018 (date of incorporation) to 31 December 2019 (the "Accounting Period"). This report is provided in accordance with the UCITS Regulations - European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011, as amended (the "Regulations"). We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown.

In accordance with our Depositary obligation as provided for under the Regulations, we have enquired into the conduct of the Fund for the Accounting Period and we hereby report thereon to the Shareholders of the Fund as follows;

We are of the opinion that the Fund has been managed during the Accounting Period, in all material respects:

(i) in accordance with the limitations imposed on the investment and borrowing powers of the Fund by the constitutional documents and the Regulations; and

(ii) otherwise in accordance with the provisions of the constitutional documents and the Regulations.

On behalf of

HSBC France, Dublin Branch
1 Grand Canal Square
Grand Canal Harbour
Dublin 2
Ireland

22 April 2020

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF LYNX UCITS FUND

For the period from 11 December 2018 (date of incorporation) to 31 December 2019

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements Lynx UCITS Fund ('the Fund') for the period ended 31 December 2019, which comprise the statement of financial position, statement of comprehensive income, statement of changes in net assets attributable to holders of redeemable participating shares, statement of cash flows and related notes, including the summary of significant accounting policies set out in note 2. The financial reporting framework that has been applied in their preparation is Irish Law and International Financial Reporting Standards (IFRS) as adopted by the European Union.

In our opinion, the accompanying financial statements:

- give a true and fair view of the assets, liabilities and financial position of the Fund as at 31 December 2019 and of its increase in net assets attributable to holders of redeemable participating shares for the period then ended;
- have been properly prepared in accordance with IFRS as adopted by the European Union; and
- have been properly prepared in accordance with the requirements of the Irish Collective Asset-management Vehicles Act 2015.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Fund in accordance with ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standard issued by the Irish Accounting and Auditing Supervisory Authority, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

We have nothing to report on going concern

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least twelve months from the date of approval of the financial statements. We have nothing to report in these respects.

OTHER INFORMATION

The directors are responsible for the other information presented in the Annual Report together with the financial statements. The other information comprises the information included in the directors' report, investment manager's report, depository's report, schedule of investments and supplementary disclosures. The financial statements and our auditor's report thereon do not comprise part of the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work we have not identified material misstatements in the other information.

Opinion on other matter prescribed by the Irish Collective Asset-management Vehicles Act 2015

In our opinion, the information given in the Directors' Report is consistent with the financial statements.

Matters on which we are required to report by exception

The Irish Collective Asset-management Vehicles Act 2015 requires us to report to you, if in our opinion, the disclosures of Directors' remuneration specified by law are not made. We have nothing to report in this regard.

RESPECTIVE RESPONSIBILITIES AND RESTRICTIONS ON USE

Responsibilities of directors for the financial statements

As explained more fully in the directors' responsibilities statement set on page 2, the directors are responsible for: the preparation of the financial statements including being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Fund or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (Ireland) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A fuller description of our responsibilities is provided on IAASA's website at *https://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description of auditors responsiblities for audit.pdf.*

The purpose of our audit work and to whom we owe our responsibilities

Our report is made solely to the shareholders of the Fund, as a body, in accordance with the Section 120 of the Irish Collective Asset-management Vehicles Act 2015. Our audit work has been undertaken so that we might state to the Fund's shareholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Fund and the Fund's shareholders, as a body, for our audit work, for this report, or for the opinions we have formed.

Colm Clifford

for and on behalf of

KPMG
Chartered Accountants, Statutory Audit Firm
1 Harbourmaster Place
International Financial Services Centre
Dublin 1
Ireland

Date: 22 April 2020

STATEMENT OF FINANCIAL POSITION

As at 31 December 2019

	Notes	31 December 2019* USD
ASSETS		
Financial assets at fair value through profit or loss	2(f), 3,4	
-Investment funds		*5,162,345*
-Transferable securities		*49,260,857*
-Financial derivative instruments		*989,402*
Cash and cash equivalents	2(h)	1,655,672
Cash held as collateral	2(o)	366,327
TOTAL ASSETS		**57,434,603**
LIABILITIES		
Due to brokers	2(n)	(195,369)
Audit fees payable	5(h)	(13,348)
Administration fees payable	5(d)	(5,716)
Directors' fees payable	5(f)	(15,795)
Depositary fees payable	5(e)	(1,568)
Investment management fees payable	5(a)	(37,140)
Performance fees payable	5(c)	(1,221)
Other payables	6	(25,971)
LIABILITIES (EXCLUDING NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES)		**(296,128)**
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES		**57,138,475**

** The ICAV was incorporated on 11 December 2018 and the Fund commenced operation on 1 March 2019 and as such, there are no comparatives.*

The accompanying notes are an integral part of these financial statements.

On behalf of Board of Directors:

Brian Dunleavy

Fiona Mulhall

Date 22 April 2020

STATEMENT OF COMPREHENSIVE INCOME

For the period from 11 December 2018 (date of incorporation) to 31 December 2019

	Notes	31 December 2019* USD
INVESTMENT INCOME		
Interest income	2(j)	38,924
Net gains on financial assets and financial liabilities at fair value through profit or loss	3	11,314,607
Net losses on foreign exchange		(209,746)
TOTAL INVESTMENT INCOME		**11,143,785**
OPERATING EXPENSES		
Audit fees	5(g)	(13,196)
Administration fees	5(d)	(48,205)
Directors' fees	5(f)	(39,985)
Depositary fees	5(e)	(25,530)
Investment management fees	5(a)	(447,030)
Performance fees	5(c)	(40,395)
Other expenses	7	(99,928)
TOTAL OPERATING EXPENSES		**(714,269)**
OPERATING PROFIT		**10,429,516**
FINANCE COSTS		
Interest expense	2(j)	(1,123)
TOTAL FINANCE COSTS		**(1,123)**
INCREASE IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES FROM OPERATIONS		**10,428,393**

** The ICAV was incorporated on 11 December 2018 and the Fund commenced operation on 1 March 2019 and as such, there are no comparatives.*

The accompanying notes are an integral part of these financial statements.

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES

For the period from 11 December 2018 (date of incorporation) to 31 December 2019

	*31 December 2019** *USD*
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES AT THE BEGINNING OF THE PERIOD	-
Proceeds on the issue of redeemable participating shares	96,381,994
Payment on redemptions of redeemable participating shares	(49,671,912)
Increase in net assets attributable to holders of redeemable participating shares from operations	10,428,393
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES AT THE END OF THE PERIOD	**57,138,475**

** The ICAV was incorporated on 11 December 2018 and the Fund commenced operation on 1 March 2019 and as such, there are no comparatives.*

The accompanying notes are an integral part of these financial statements.

STATEMENT OF CASH FLOWS

For the period from 11 December 2018 (date of incorporation) to 31 December 2019

	31 December 2019* ***USD***
CASH FLOWS FROM OPERATING ACTIVITIES	
Net increase in net assets resulting from operations	10,428,393
Net gains on financial assets and financial liabilities at fair value through profit or loss	(11,314,607)
Purchase of financial assets	(183,298,279)
Proceeds from sale of financial assets	142,760,460
Payments on settlement of financial derivative instruments	(3,560,178)
Increase in cash held as collateral	(366,327)
Increase in due to brokers	195,369
Increase in performance fees payable	1,221
Increase in audit fees payable	13,348
Increase in investment management fees payable	37,140
Increase in administration fees payable	5,716
Increase in depository fees payable	1,568
Increase in directors' fees payable	15,795
Increase in other payables	25,971
NET CASH USED IN OPERATING ACTIVITIES	**(45,054,410)**
CASH FLOWS FROM FINANCING ACTIVITIES	
Proceeds on the issue of redeemable participating shares	96,381,994
Payment on redemption of redeemable participating shares	(49,671,912)
NET CASH PROVIDED BY FINANCING ACTIVITIES	**46,710,082**
Net increase in cash and cash equivalents	1,655,672
Cash and cash equivalents at beginning of the period	-
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	**1,655,672**
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION:	
Interest received	38,924
Interest paid	(1,123)

** The ICAV was incorporated on 11 December 2018 and the Fund commenced operation on 1 March 2019 and as such, there are no comparatives.*

The accompanying notes are an integral part of these financial statements.

1. GENERAL

Lynx UCITS Fund (the "Fund") is a sub-fund of Lynx UCITS ICAV (the "ICAV"). The ICAV is an open-ended Irish collective asset-management vehicle with registered number C184319 structured as an umbrella fund with segregated liability between sub-funds pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities Regulations) 2011 (as amended) (the "UCITS Regulations"). As of 31 December 2019, the ICAV has established one other sub- fund, Lynx Active Balanced Fund.

Any liability incurred on behalf of or attributable to the Fund of the ICAV shall be discharged solely out of the assets of the Fund. Notwithstanding the foregoing, there can be no assurance that should an action be brought against the ICAV in the courts of another jurisdiction, the segregated nature of the Fund would necessarily be upheld.

The ICAV was incorporated on 11 December 2018 and the Fund commenced operations on 01 March 2019, and as such there are no comparatives.

On 04 March, the net assets of MS Lynx UCITS Fund (a sub-fund of Fund Logic Alternatives Plc) were transferred to the Fund.

Following the decision by the Directors of Fund Logic Alternatives Plc to liquidate the Company, Lynx Asset Management AB, the investment manager of MS Lynx UCITS fund, decided to continue its investment strategy in the newly formed Lynx UCITS ICAV.

The investment objective of the Fund is to provide shareholders with returns based on; (i) exposure to the Lynx Program; (ii) investments in transferable securities and money market instruments issued by government issuers; and (iii) investments in cash deposits and cash equivalent securities.

In order to gain exposure to the Lynx program the Investment Manager seeks to invest in Lynx (Cayman) Fund Limited, either directly or indirectly through debt securities issued by two Jersey based companies, Alphabeta Access Products Limited and Weser Capital Series 6. Through the issuance of debt securities both companies have purchased interests in Lynx (Cayman) Fund Limited.

2. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies adopted by the Fund in the preparation of these financial statements are set out below.

(a) Basis of preparation

The Directors have opted to prepare separate financial statements for the Fund in accordance with the Irish Collective Asset-management Vehicles Act 2015 (the "ICAV Act"). Any reference hereafter to the financial statements will mean the financial statements of the Fund of the ICAV.

These financial statements for the period ended 31 December 2019 have been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted for use in European Union ("EU") and with the requirements of the ICAV Act and pursuant to the UCITS Regulations and the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2019 (the "Central Bank UCITS Regulations").

The financial statements have been prepared on a going concern basis and under the historical cost convention except for financial instruments classified at fair value through profit & loss that have been measured at fair value.

(b) Use of estimates, judgements and assumptions

The preparation of financial statements in conformity with IFRS requires the Directors to make judgements, estimates and assumptions that affect the application of policies and the reported amounts of assets and liabilities at the date of the financial statements, income and expense during the reporting period. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the financial period in which the estimate is revised if the revision affects only that financial period or in the financial period of the revision and future financial periods if the revision affects both current and future financial periods.

(c) Foreign currency translation

(i) Functional and presentation currency

The Directors consider the currency of the primary economic environment in which the Fund operates to be the United States Dollar (”USD”) as this is the currency which, in their opinion most faithfully represents the economic effects of underlying transactions, events and conditions. The financial statements are presented in USD which is the Fund's functional and presentation currency.

(ii) Foreign currency transactions

Assets and liabilities denominated in currencies other than the functional currency are translated into the functional currency at the closing rates at each financial period end. Transactions during the financial period, including purchases and sales of securities, income and expenses, are translated at the rate of exchange prevailing on the date of the transaction. Foreign currency transaction gains and losses are included in net gains on financial assets and financial liabilities at fair value through profit or loss and net losses on foreign currency in the Statement of Comprehensive Income.

(d) New standards, amendments and interpretations effective for the period beginning 1 January 2018 and adopted by the Fund

IFRS 9 ‘Financial Instruments’ became effective for annual periods beginning on or after 1 January 2018. It addresses the classification, recognition, derecognition and measurement of financial assets and financial liabilities and replaces the multiple classification and measurement models in (“IAS”) 39 ‘Financial Instruments: Recognition and Measurement’.

Classification and measurement of debt assets is driven by the Fund's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets. A debt instrument is measured at amortised cost if the objective of the business model is to hold the financial asset for the collection of the contractual cash flows and the contractual cash flows under the instrument solely represent payments of principal and interest (“SPPI”). A debt instrument is measured at fair value through other comprehensive income if the objective of the business model is to hold the financial asset both to collect contractual cash flows from SPPI and to sell. All other debt instruments must be recognised at fair value through profit or loss. An entity may however, at initial recognition, irrevocably designate a financial asset as measured at fair value through profit or loss if doing so eliminates or significantly reduces a measurement or recognition inconsistency. Derivative and equity instruments are measured at fair value through profit or loss unless, for equity instruments not held for trading, an irrevocable option is taken to measure at fair value through other comprehensive income. IFRS 9 also introduces a new expected credit loss (“ECL”) impairment model.

IFRS 15 ‘Revenue from contracts with customers’ IFRS 15 replaces IAS 18 ‘Revenue’ and establishes a five step model to account for revenue arising from contracts with customers. In addition, guidance on interest and dividend income have been moved from IAS 18 to IFRS 9 without significant changes to the requirements. There was no impact of adopting IFRS 15 for the Fund.

(e) New standards, amendments and interpretations effective for the period beginning 1 January 2019 and not adopted by the Fund

International Financial Reporting Interpretations Committee (“IFRIC”) 23 comes into effect for annual periods beginning on or after 1 January 2019. It aims to clarify the accounting uncertainties in income taxes. The interpretation is to be applied to the determination of taxable profits, losses, tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under IAS 12. The ICAV has not adopted early application of IFRIC 23.

(f) Financial assets and financial liabilities at fair value through profit or loss

(i) Classification

The Fund classifies all of its investments as financial assets or financial liabilities at fair value through profit or loss. In addition to this, the Fund measures assets and liabilities not carried at fair value but for which fair value is disclosed.

• ***Assets***

The Fund classifies its investments based on both the Fund's business model for managing those financial assets and the contractual cash flow characteristics of the financial assets. The portfolio of financial assets is managed and performance is evaluated on a fair value basis. The Fund is primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions. The Fund has not taken the option to irrevocably designate any securities as fair value through other comprehensive income. Derivative contracts that have a positive fair value are presented as assets at fair value through profit or loss. Consequently, all investments are measured at fair value through profit or loss.

• Liabilities

Derivative contracts that have a negative fair value are presented as liabilities at fair value through profit or loss.

As such, the Fund classifies all of its investment portfolio as financial assets or financial liabilities as fair value through profit or loss.

The Fund's policy requires the Investment Manager and the Board of Directors to evaluate the information about these financial assets and financial liabilities on a fair value basis together with other related financial information.

(ii) Recognition, derecognition and measurement

Investment transactions are accounted for on a trade date basis. Investments are initially recognised at the fair value of acquisition. Subsequent to initial recognition, all financial assets and financial liabilities at fair value through profit or loss are measured at fair value. Investments are derecognised when the rights to receive cash flow from the investments have expired or the Fund has transferred substantially all risks and rewards of ownership. Gains and losses arising from changes in the fair value of the 'financial assets or financial liabilities at fair value through profit or loss' category are presented in the Statement of Comprehensive Income within net gains on financial assets and financial liabilities at fair value through profit or loss in the period in which they arise.

At each reporting date, all prices are sourced by HSBC Securities Services (Ireland) DAC (the "Administrator") from counterparties, dealers and independent pricing sources. All assets and liabilities are marked at fair value in accordance with the relevant provisions of the offering documents of the Fund, following the procedures outlined in the valuation policy, which was established by the Manager in order to ensure a fair and accurate net asset value of the Fund's financial instruments. The Manager is responsible for the proper valuation of the assets of the Fund.

(iii) Financial derivative instruments ("FDI")

Forward contracts

Forward contracts entered into by the Fund represent a firm commitment to buy or sell an underlying asset, or currency at a specified value and point in time based upon an agreed or contracted quantity. Gains and losses on forward contracts are measured by the Fund based upon fair value fluctuations and are recorded as realised or unrealised gains or losses in the Statement Comprehensive Income. The Fund values forward contracts at last settlement prices or closing prices provided by certain third party pricing sources.

(iv) Impairment of financial assets

IFRS 9 replaces the 'incurred loss' model in IAS 39 with an ECL model. The new impairment model applies to financial assets measured at amortised cost, contract assets and debt investments at fair value through other comprehensive income, but not to investments in equity instruments. IFRS 9 requires the Fund to record ECLs on all of its debt securities, due from broker and trade receivables, either on a 12 month or lifetime basis. Given the limited exposure of the Fund to ECL, this amendment has not had a material impact on these financial statements. The Fund only holds receivables with no financing component and which have maturities of less than 12 months at amortised cost and therefore it has adopted an approach similar to the simplified approach to ECLs.

The carrying value of cash and cash equivalents and cash held as collateral measured at amortised cost less any expected loss, is an approximation of fair value given their short-term nature and no history of default.

The Fund did not recognise any impairment upon transition to IFRS 9 during the period ended 31 December 2019.

(g) Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position where there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

(h) Cash and cash equivalents

Cash, including cash denominated in foreign currencies, represents cash on hand and demand deposits held at financial institutions. Cash equivalents include short-term, highly liquid investments of sufficient credit quality that are readily convertible to known amounts of cash and have original maturities of three months or less. Cash equivalents are carried at cost, plus accrued interest, which approximates fair value. Cash equivalents are held to meet short-term liquidity requirements, rather than for investment purposes. Cash and cash equivalents are held at major financial institutions and are subject to credit risk to the extent those balances exceed applicable Federal Deposit Insurance Corporation (FDIC) or Securities Investor Protection Corporation (SIPC) limitations. As at 31 December 2019, the Fund held cash with HSBC France, Dublin Branch.

(i) Transaction cost

Transaction costs are incremental costs which are separately identifiable and directly attributable to the acquisition, issue or disposal of a financial asset or financial liability. The Fund's portfolio transactions include the purchase and sale of treasury bills and equity investments and the increase or decrease in notional amount of derivative positions.

(j) Interest income and interest expense

Deposit interest is recognised as income on an effective interest basis. Interest expense is charged on broker balances and is recognised daily on an accrual basis using the original effective interest rate of the instrument and under the finance costs heading within the Statement of Comprehensive Income.

(k) Expenses

All expenses are recognised in the Statement of Comprehensive Income on an accrual basis.

(l) Net asset value per share

The net asset value ("NAV") per share is calculated by the Administrator by, dividing the NAV attributable to of each class of shares by the number of shares in issue in that class at each valuation point.

(m) Redeemable participating shares

All redeemable participating shares issued by the Fund provide the shareholders with the right to require redemption for cash at the value proportionate to the shareholder's share in the Fund's net assets at the redemption date. In accordance with IAS 32 'Financial Instruments: Presentation' such instruments are classified as financial liabilities. Subject to the terms of the Prospectus the Fund is contractually obliged to redeem shares at the NAV per share on the valuation date.

(n) Due from/to brokers

Amounts due from/to brokers represent receivables for securities sold, payable for securities purchased that have been contracted for but not yet delivered by the end of the period, spot trades and margin accounts. Margin accounts represent those cash deposits with brokers which are transferred as collateral against open derivative contracts.

(o) Cash held as collateral

As at 31 December 2019, the Fund's broker Goldman Sachs held cash as collateral that is identified in the Statement of Financial Position as cash held as collateral and is not included as a component of cash and cash equivalents.

(p) Subscriptions receivable and redemptions payable

Subscriptions receivable represent amounts due from investors from subscriptions that have been contracted for but not yet received and therefore are shown as a receivable at the financial period end. Redemptions payable represent amounts due to investors for redemptions that have been contracted for but not yet paid and therefore are shown as a payable at the financial period end.

(q) Structured entities

A structured entity is an entity that has been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity, such as when any voting rights relate to administrative tasks only and the relevant activities are directed by means of contractual arrangements. A structured entity often has some or all of the following features or attributes; (a) restricted activities, (b) a narrow and well-defined objective, such as to provide investment opportunities for investors by passing on risks and rewards associated with the assets of the structured entity to investors, (c) insufficient equity to permit the structured entity to finance its activities without subordinated financial support and (d) financing in the form of multiple contractually linked instruments to investors that create concentrations of credit or other risks (tranches).

The Fund considers some of its transferable securities to be investments in structured entities which are unconsolidated. See note 11 (d) for details of these investments.

3. FINANCIAL ASSETS AND LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

	31 December 2019 USD
Financial assets at fair value through profit or loss	
Designated at fair value	
Investment funds	5,162,345
Transferable securities	
-Debt securities	10,324,237
-Treasury bills	38,936,620
Financial derivative instruments	
-Forward contracts	989,402
Total financial assets at fair value through profit or loss	**55,412,604**

	31 December 2019 USD*
Realised gains/(losses) on financial assets and financial liabilities at fair value through profit or loss	
Gains on investment funds	4,439,538
Gains on debt securities	8,879,014
Gains on treasury bills	748,330
Losses on forward contracts	(3,560,178)
Net realised gains on financial assets and financial liabilities at fair value through profit or loss	**10,506,704**
Unrealised gains/(losses) on financial assets and financial liabilities at fair value through profit or loss	
Losses on investment funds	(112,331)
Losses on debt securities	(224,738)
Gains on treasury bills	155,570
Gains on forward contracts	989,402
Net unrealised gains on financial assets and financial liabilities at fair value through profit or loss	**807,903**
Net gains on financial assets and financial liabilities at fair value through profit or loss	**11,314,607**

**The ICAV was incorporated on 11 December 2018 and the Fund commenced operation on 1 March 2019 and as such, there are no comparatives.*

4. FAIR VALUE MEASUREMENT

IFRS 13 'Fair value measurement' establishes a fair value hierarchy that prioritises the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described in the table below.

Level 1	Inputs that reflect unadjusted quoted prices in active markets for identical assets or liabilities that the Fund has the ability to access at the measurement date;
Level 2	Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly, including inputs in markets that are not considered to be active;
Level 3	Inputs that are unobservable. This category includes all instruments for which the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on

the investment's valuation. This category includes instruments that are valued based on quoted prices for similar instruments for which significant unobservable adjustments or assumptions are required to reflect differences between the instruments

Inputs are used in applying the various valuation techniques and broadly refer to the assumptions that market participants use to make valuation decisions, including assumptions about risk. Inputs may include price information, volatility statistics, specific and broad credit data, liquidity statistics, and other factors. A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. However, the determination of what constitutes "observable" requires significant judgement by the Directors. The Directors consider observable data to be that market data which is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market. The categorisation of a financial instrument within the hierarchy is based upon the pricing transparency of the instrument and does not necessarily correspond to the Directors' perceived risk of that instrument.

Transferable securities

Transferable securities whose values are based on quoted market prices in active markets are classified within level 1. These include active treasury bills outstanding. The Directors do not adjust the quoted price for such instruments, even in situations where the Fund holds a large position and a sale could reasonably impact the quoted price.

Transferable securities that trade in markets that are not considered to be active, but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within level 2.

Transferable securities classified within level 3 have significant unobservable inputs, as they trade infrequently or not at all. There are no level 3 investments held at financial period end.

Investments in other investment funds ("Investee Funds") are are valued using the NAV of the underlying funds provided by the Investee Funds, without adjustment. Investee Funds are classified as level 2 securities.

Financial derivative instruments

Financial derivative instruments can be exchange-traded or privately negotiated over-the-counter ("OTC"). OTC derivatives, such as forward contracts have inputs which can generally be corroborated by market data and are therefore classified within level 2.

The following table presents the financial instruments carried on the Statement of Financial Position by caption and by level within the valuation hierarchy as at 31 December 2019*.

Financial assets at fair value through profit or loss	**Total USD**	**(Level 1) USD**	**(Level 2) USD**	**(Level 3) USD**
Investment funds	5,162,345	-	5,162,345	-
Transferable securities				
- Debt securities	10,324,237	-	10,324,237	-
- Treasury bills	38,936,620	38,936,620	-	-
Forward contracts	989,402	-	989,402	-
Total financial assets at fair value through profit or loss	**55,412,604**	**38,936,620**	**16,475,984**	**-**

**The ICAV was incorporated on 11 December 2018 and the Fund commenced operation on 1 March 2019 and as such, there are no comparatives.*

The Fund recognises transfers between levels of the fair value hierarchy as at the end of the reporting period during which the change occurred.

There were no transfers between levels during the financial period form 1 March 2019 (commencement of operation) to 31 December 2019.

Financial assets and liabilities not measured at fair value

The financial assets and liabilities not measured at fair value through profit or loss are short-term financial assets and financial liabilities whose carrying amounts approximate fair value. Cash and cash equivalents are categorised as level 1 and all other financial assets and financial liabilities not measured at fair value through profit or loss are categorised as level 2 in the fair value hierarchy.

5. FEES AND EXPENSES

(a) Investment Management feess

The Investment Manager shall be entitled to receive from the Fund, an investment management fee in relation to each class of shares calculated on a percentage of net assets attributable to such class of shares. Such fees are accrued daily and paid monthly in arrears at an annual rate as set out below:

Classes of shares	Investment management fee (per annum)
Class E Shares	0.70%
Class I Shares	1.00%
Class D1 Shares	1.30%

The Investment Manager may from time to time and at its sole discretion and out of its own resources decide to rebate shareholders part or all of the investment management fees charge.

Any such rebate(s) may be applied in paying up additional shares to be issued to the shareholder(s).

For the financial period ended 31 December 2019, the investment management fees of USD 447,030 were charged to the Fund of which USD 37,140 was payable at the period end.

(b) Manager fees

The Manger shall be entitled to receive from the ICAV, a manager fee calculated as a percentage of the NAV of the ICAV. The Fund shall be responsible for its attributable portion of the fees payable to the Manager and fees shall be allocated to the Funds on a pro-rata basis. Such fees are accrued daily and paid quarterly in arrears as set out below. The Investment Manager may take responsibility for payment of the fees to the Manager for up to the first year from the launch of the Fund. The manager fees is as follows:

Net Asset Value of the ICAV	Fee payable to the Manager
€0 - €250 million (“M1”)	0.03% per annum
€250Ml - €500Ml	0.0275% per annum
€500Ml - €750Ml	0.025% per annum
€750Ml - €1 billion (Bn”)	0.0225% per annum
Above €1Bn	0.02% per annum

For the financial period ended 31 December 2019, the Investment Manager has paid out of its own fees, the managers' fee of USD 34,891 of which USD 3,054 was payable at the period end.

(c) Performance fees

The Investment Manager will be entitled to receive a performance fee in respect of each series of a share class equal to 20% of the amount by which the NAV of the relevant series within a share class exceeds the high water mark (“HWM”) as at the last business day of the calculation period, first business day through to 31 December, plus any crystallised performance fee accrued in relation to the relevant series of a share class in respect of redemptions during the calculation period subject in the case of the initial adjustment.

HWM means the NAV of the relevant series of share classes as at the end of the last calculation period on which a performance fee was paid. For the first calculation period, the initial HWM shall be the proceeds of the initial offer price of the relevant share classes subject to the initial adjustment.

The performance fee shall be calculated and accrue daily.

Following the merger of the MS Lynx UCITS Fund, it was decided that the merging shareholders (i.e the shareholders that had been invested in the MS Lynx UCITS Fund) should be given an adjusted HWM which as far as possible reflected the individual performance fee method applied by the Lynx UCITS Fund. It was also decided that the adjusted HWM should be based on the shareholders' historical transactions during the period they had been invested in the MS Lynx UCITS Fund. Prior to the change of the HWM, which was effectuated in May 2019, certain of the merging shareholders redeemed from the Fund. It was determined that such redeeming shareholders were due an additional payment to ensure their treatment was consistent with all other shareholders in the Fund.

For the financial period ended 31 December 2019, the performance fees of USD 40,395 were charged to the Fund of which USD 1,221 was payable at the period end.

(d) Administration fees

The Administrator was entitled to receive out of the assets of Fund an administration fee, accrued and calculated daily and paid monthly in arrears, at a rate of up to 0.06% per annum of a Fund's NAV for the first EUR 500 million and 0.05% per annum of Fund's NAV above EUR 500 million subject to a minimum annual fee of up to EUR 30,000. The Fund shall be responsible for the fees of and reasonable out-of-pocket expenses properly incurred by the Administrator.

For the financial period ended 31 December 2019, the administration fees of USD 48,205 were charged to the Fund of which USD 5,716 was payable at the period end.

(e) Depositary fees

The Depositary is entitled to an annual fee out of the assets of the Fund at a rate which shall not exceed 0.03% per annum of the NAV of the Fund, subject to a minimum fee EUR 36,000 per annum pro-rated between the sub-funds of the ICAV on the basis of the assets under administration of each Fund. This fee accrues and is calculated on each dealing day and paid monthly in arrears. The Depositary shall also be entitled to receive out of the assets of the Fund all agreed sub-custodian fees and transaction charges.

For the financial period ended 31 December 2019, the depositary fees of USD 25,530 were charged to the Fund of which USD 1,568 was payable at the period end.

(f) Directors' fees

The Directors may be entitled to a fee by way of remuneration for their services at a rate to be determined from time to time by the Directors. The Directors' remuneration will not exceed EUR 50,000 per annum in the aggregate or such other amount as may be determined by the Directors and notified to shareholders from time to time. Any Directors employed by the Investment Manager will waive their entitlement to fees. The Directors shall be entitled to be reimbursed by the ICAV for all reasonable disbursements and out-of-pocket expenses incurred by them, if any.

For the financial period ended 31 December 2019, the directors' fees of USD 39,985 were charged to the Fund of which USD 15,795 was payable at the period end.

(g) Audit fees

The remuneration for all work carried out by the statutory audit firm in respect of the period is as follows:

	31 December 2019*
	USD
Statutory audit (exclusive of VAT and out-of-pocket expenses)	13,196
Assurance	-
Tax Services	-
Other non-audit services	-
Total	**13,196**

** The ICAV was incorporated on 11 December 2018 and the Fund commenced operations on 1 March 2019 and as such there are no comparatives.*

6. OTHER PAYABLES

	31 December 2019*
	USD
Trade fees payable	12,894
Company secretarial fees payable	3,796
Professional fees payable	3,796
VAT services fee payable	2,321
Financial Reporting fees payable	1,276
Central bank levy payable	1,282
FATCA services payable	606
	25,971

** The ICAV was incorporated on 11 December 2018 and the Fund commenced operations on 1 March 2019 and as such there are no comparatives.*

7. OTHER EXPENSES

	31 December 2019* USD
Trade fees	51,918
Financial Reporting fees	12,490
Company secretarial fees	9,177
Professional fees	9,177
Regulatory Admin Fee	148
VAT services fee	4,090
Facility fees	4,383
Annual fees	3,313
Out-of-pocket expenses	2,142
Central bank levy	1,275
FATCA services	1,275
Other expenses	540
	99,928

** The ICAV was incorporated on 11 December 2018 and the Fund commenced operations on 1 March 2019 and as such there are no comparatives.*

8. SHARE CAPITAL AND REDEEMABLE PARTICIPATING SHARES

The minimum authorised share capital of the ICAV is EUR 2 represented by subscriber shares of no par value. The maximum authorised share capital of the ICAV, as may be amended by the Directors from time to time and notified to shareholders, is 500,000,000,002 shares of no par value represented by 2 (two) subscriber shares of no par value and 500,000,000,000 (five hundred billion) shares of no par value, initially designated as unclassified shares. The Directors are empowered to issue up to 500,000,000,000 shares of no par value designated as shares of any class on such items as they think fit.

The subscriber shares entitle the holders to attend and vote at general meetings of the ICAV but do not entitle the holders to participate in the profits or assets of the sub-funds of the ICAV except for a return of capital on a winding-up. The shares entitle the holders to attend and vote at general meetings of the ICAV and to participate in the profits and assets of the relevant sub-fund of the ICAV. There are no pre-emption rights attaching to the shares.

The issued redeemable participating share capital of the Fund is at all times equal to the net asset value of the Fund. Redeemable participating shares are redeemable at the shareholders' option and in accordance with the offering documents are classified as financial liabilities. The movement in the number of participating shares for the period from 1 March 2019 (commencement of operations) to 31 December 2019 are as follows:

	At the beginning of the financial period	Shares issued	Shares redeemed	Conversion	At the end of the financial period
Class E USD	-	5,051	-	-	5,051
Class I USD	-	7,784	(3,508)	(2,537)	1,739
Class I USD - series 03092019	-	600	-	-	600
Class D1 USD	-	15	-	-	15
Class E EUR*	-	42,757	(16,610)	-	26,147
Class E EUR - series 04112019*	-	300	-	-	300
Class E EUR - series 12122019*	-	46	-	-	46
Class I EUR*	-	34,430	(24,298)	-	10,132
Class I EUR - series 1 15052019*	-	-	-	2,078	2,078
Class I EUR - series 1 20082019*	-	850	-	-	850
Class I EUR - series 23102019*	-	200	-	-	200
Class I EUR - series 23122019*	-	500	-	-	500
Class I CHF*	-	36	-	-	36

**Hedged share class*

9. TAXATION

Under current law and practice the ICAV qualifies as an investment undertaking as defined in Section 739B of the Taxes Consolidation Act 1997 (as amended). On that basis, it is not chargeable to Irish tax on its income or gains.

However, Irish tax may arise on the happening of a "chargeable event". A chargeable event includes any distribution payments to shareholders, any encashment, redemption, cancellation or transfer of shares and any deemed disposal of shares for Irish tax purposes arising as a result of the holding of shares for an eight year period or more.

No Irish tax will arise on the ICAV regarding chargeable events.

A chargeable event does not include:

(i) *A shareholder who is not an Irish resident and not ordinarily resident in Ireland at the time of the chargeable event provided the necessary signed statutory declarations are held by the ICAV and its Fund; or*

(ii) *Certain exempted Irish resident investors who have provided the ICAV and its Fund with the necessary signed statutory declaration; or*

(iii) *Any transactions in relation to shares held in a recognised clearing system as designated by order of the Revenue Commissioners of Ireland; or*

(iv) *An exchange of shares representing one Fund for another Fund of the ICAV; or*

(v) *An exchange of shares arising on a qualifying amalgamation or reconstruction of the ICAV with another ICAV; or*

(vi) *Certain exchanges of shares between spouses and former spouses.*

On the happening of a chargeable event, the ICAV shall be entitled to deduct the appropriate amount of tax on any payment made to a shareholder in respect of the chargeable event. On the occurrence of chargeable event where no payment is made by the ICAV to the shareholder, the ICAV may appropriate or cancel the required number of shares to meet the tax liability.

Dividends, interest and capital gains (if any) received on investments made by the Fund may be subject to withholding taxes imposed by the country from which the investment income/gains are received and such taxes may not be recoverable by the Fund or its shareholders

10. SOFT COMMISSION AND DIRECT BROKERAGE SERVICES

There were no soft commissions or directed brokerage service arrangements in place during the period from 11 December 2018 (date of incorporation) to 31 December 2019.

11. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS

The Fund's risks are those set out in the Prospectus and the relevant Supplements and any consideration of risk here should be viewed in the context of the Prospectus and the relevant Supplements which is the primary documentation governing the operations of the Fund.

The Fund's activities expose it to a variety of financial risks: market risk (including foreign currency risk, interest rate risk and market price risk), credit risk and liquidity risk. The ICAV's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Fund's financial performance. The Fund may use derivative financial instruments to moderate certain risk exposures.

The Investment Manager assesses the risk profile of the Fund on the basis of the investment policy, strategy and the use made of financial derivative instruments. The Manager operates risk management controls over all of the Fund's positions, which may include risk attribution and exposure analysis by liquidity and size and may utilise a number of multi-factor simulations including the value-at-risk simulation and stress-testing, where appropriate.

(a) Market risk

Market risk is the risk that the fair value of future cash flows of financial instruments will fluctuate because of changes in market prices.

The Investment Manager moderates market risk through careful selection of securities and other financial instruments within specified limits. The Fund has exposure to some of the above risks to generate investment returns on their portfolios, although these risks can also potentially result in a reduction in the Fund assets. The Fund's overall market position is monitored on a daily basis by the Fund's Investment Manager and is reviewed on a regular basis by the Manager.

As at 31 December 2019, the Fund's market risk is affected by three components:

(i) foreign currency movements ("currency risk");

(ii) interest rate movements ("interest rate risk"); and

(iii) changes in actual equity prices ("market price risk").

(i) Currency risk

Currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Fund may hold assets or liabilities denominated in currencies other than the functional currencies of the Fund. The Fund may, therefore, be exposed to currency risk as the value of the assets and liabilities denominated in other currencies other than the functional currency may fluctuate as a result of movements in the exchange rates.

Any financial instruments used to implement hedging strategies with respect to one or more classes shall be assets/liabilities of the Fund as a whole but will be attributable to the relevant class. The gains/losses of financial instruments and the costs of the relevant financial instruments will accrue solely to the relevant class.

The Fund may invest in securities and financial instruments denominated in currencies other than its functional currency. Consequently, the Fund may be exposed to risks that the exchange rate of its currency relative to other currencies may change in a manner which may have a favourable or unfavourable effect on the value of that portion of the Fund's assets which are denominated in currencies other than its "own" currency. However, the Fund may seek to hedge this currency risk through foreign exchange (FX) transactions in the spot and forward markets.

The table below outlines the net foreign currency risk exposure of the Fund as at 31 December 2019*:

	Monetary assets/(liabilities) USD	**Non-monetary assets/(liabilities) USD**	**Derivative Contracts USD**	**Total USD**
Euro	(245,658)	(48,657,673)	49,436,512	533,181
Swiss Francs	(184)	(28,709)	29,247	354
	(245,842)	**(48,686,382)**	**49,465,759**	**533,535**

**The ICAV was incorporated on 11 December 2018 and the Fund commenced operation on 1 March 2019 and as such there are no comparatives.*

At 31 December 2019 if any non-functional currencies had strengthened by 5% in relation to the respective functional currency of the Fund, with all other variables held constant, net assets attributable to holders of redeemable participating shares would have increased/decreased by the amounts shown below.

As at 31 December 2019	**31 December 2019 USD**
Euro	26,659
Swiss Francs	18
Total	**26,677**

(ii) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The table below outlines the interest risk exposure of the Fund as at 31 December 2019*.

	Less than 1 month USD	**1 month -3 month USD**	**More than 3 month USD**	**Non-interest bearing USD**	**Total USD**
Assets					
Financial assets at fair value through profit or loss	5,992,475	16,144,291	16,799,854	16,475,984	55,412,604
Cash and cash equivalents	1,655,672	-	-	-	1,655,672
Cash held as collateral	366,327	-	-	-	366,327
Total financial assets	**8,014,474**	**16,144,291**	**16,799,854**	**16,475,984**	**57,434,603**
Liabilities					
Due to brokers	-	-	-	(195,369)	(195,369)
Administration fees payable	-	-	-	(5,716)	(5,716)
Directors' fees payable	-	-	-	(15,795)	(15,795)
Depositary fees payable	-	-	-	(1,568)	(1,568)
Audit fees payable	-	-	-	(13,348)	(13,348)
Investment management fees payable	-	-	-	(37,140)	(37,140)

Performance fees payable	-	-	-	(1,221)	(1,221)
Other payables	-	-	-	(25,971)	(25,971)
Total financial liabilities	**-**	**-**	**-**	**(296,128)**	**(296,128)**
Net financial assets and liabilities	**8,014,474**	**16,144,291**	**16,799,854**	**16,179,856**	**57,138,475**

**The ICAV was incorporated on 11 December 2018 and the Fund commenced operation on 1 March 2019 and as such there are no comparatives.*

The following tables detail the effect on net assets should interest rates have increased/decreased by 50 basis points (bps) with all other variables remaining constant, assuming that a 50bps increase/decrease in the base interest rate would result in a correlating 50bps increase/decrease in the value of net assets. In reality, an increase/decrease of 50bps would not result in a direct correlating increase/decrease in the fair value of net assets, as the movement in the value of the net assets would depend on the individual asset class and/or market sentiment towards any sensitivity in the interest rate. The majority of the portfolio of the Sub-Fund is of fixed rate interest nature and therefore interest income received would not be affected by the fluctuation of interest.

	Interest bearing USD
Effect on net assets after 50 bps decrease	204,793
Effect on net assets after 50 bps increase	204,794

(iii) Market price risk

Market price risk is the risk that the value of instruments will fluctuate as a result of changes in market prices (other than those arising from currency risk or interest rate risk), whether caused by factors specific to an individual investment, its issuer or all factors affecting all instruments traded in the market. The Fund's investments are susceptible to market price risk arising from uncertainties about future prices of the instruments. The Fund seeks to balance risk across asset classes to minimise the negative effect of market downturns that may result from e.g. economic recessions or inflationary environments. The Fund uses quantitative models for asset allocation and portfolio construction purposes. The models are proprietary developed by the Investment Manager and aim to forecast, among other things, market trends and volatility.

A 5% increase in equity prices and derivatives as at 31 December 2019 would have increased the net assets attributable to holders of redeemable shares for the Fund by USD 2,770,630.

The Fund may shift its allocation across markets, sectors and asset classes more frequently than traditional balanced funds and FDI may comprise a substantial part of the investment universe.

As at 31 December 2019, the fair value of investments in securities and derivatives exposed to price risk were as follows:

	31 December 2019* USD
Financial assets at fair value through profit or loss	
Investment funds	5,162,345
Transferable securities	
- Debt securities	10,324,237
-Treasury bills	38,936,620
Financial derivative instruments	
-Forward contracts	989,402
Total financial assets at fair value through profit or loss	**55,412,604**

**The ICAV was incorporated on 11 December 2018 and the Fund commenced operation on 1 March 2019 and as such there are no comparatives.*

Value-at-risk

Under CBI UCITS Regulations, the ICAV is required to employ a risk management process ("RMP") which enables it to accurately monitor and manage the global exposure of the ICAV from derivatives. The exposure for the Fund is measured trough the commitment approach, which is monitored on a daily basis by the Investment Manager. However, the market risk generated by the Lynx program is also measured by the Investment Manager through the use of an Absolute Value-at-Risk ("VaR") measure.

VaR is monitored in terms of absolute VaR defined as the VaR of the Fund as a percentage of Assets under Management (which for the Fund equals the NAV). The absolute VaR of the program should not be greater than 3%. VaR is measured over a holding period of one business day with a 95% confidence level and a historical observation period of not less than one year. The simulated returns are calculated using three different VaR -models. The three models gives different weight to historical data and the model which gives the highest VaR will have priority.

The market risks of the Fund's positions are monitored by the Investment Manager on a daily basis. VaR analysis represents the interdependencies between risk variables, unlike a traditional sensitivity analysis. VaR represents a statistical estimate of the potential losses from adverse changes in market factors for a specified time period and confidence level.

VaR enables a comparison of risks across asset classes and serves as an indicator to the Investment Manager of the investment risk in a portfolio. If used in this way, and considering the limitations of VaR methods and the particular model chosen, it can act as a signal to the Investment Manager of an increase in the general level of risk in a portfolio and as a trigger for corrective action by the Investment Manager.

VaR analysis

The below table shows minimum, maximum and average VaR level as a percentage of the NAV and VaR limit utilisation percentage over the reporting period for the Lynx program from 1 March 2019 to 31 December 2019*:

31 December 2019	**Leverage Employed**
Minimum	1.02%
Maximum	2.61%
Average	1.62%
31 December 2019	2.61%

**The ICAV was incorporated on 11 December 2018 and the Fund commenced operation on 1 March 2019 and as such there are no comparatives.*

(b) Credit risk

Credit risk is the risk that the counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund, resulting in a financial loss to the Fund. It arises principally from investment in treasury bills held, derivative financial assets and due from brokers. For risk management reporting purposes, the Fund considers and consolidates all elements of credit risk exposure (such as individual obligor default risk, country risk and sector risk).

The carrying amounts of financial assets represent the maximum credit risk exposure at 31 December 2019:

	31 December 2019*
	USD
Financial assets at fair value through profit or loss	50,250,259
Cash and cash equivalents	1,655,672
Cash held as collateral	366,327
Total financial assets	**52,272,258**

**The ICAV was incorporated on 11 December 2018 and the Fund commenced operation on 1 March 2019 and as such there are no comparatives.*

Credit risk relating to unsettled transactions is considered small due to the short-term settlement period. As at 31 December 2019, the Fund had exposure to the following counterparties and their Standard & Poor's long-term credit ratings are as follows:

Financial assets	**Counterparty**	**Credit rating**	**USD***
Cash and cash equivalents	HSBC France, Dublin Branch	AA-	1,655,672
Cash held as collateral	Goldman Sachs Trading	A+	366,327
Treasury bills	USA Government	AA-	38,936,620
Debt securities;	AlphaBeta & Weser	N/A	10,324,237
Forward contracts	Goldman Sachs Trading	A+	989,402

**The ICAV was incorporated on 11 December 2018 and the Fund commenced operation on 1 March 2019 and as such there are no comparatives.*

The Fund's Investment Manager is responsible for identifying and controlling risks. The Board of Directors supervises the Investment Manager and is ultimately responsible for the overall risk management approach within the Fund. All the cash and cash equivalents and due from broker balances are held with counterparties with minimum ratings ranging from AA- to AA+ and the ICAV recognised an impairment allowance as immaterial on application of IFRS 9 under 'expected credit loss' (ECL) model. The Fund did not recognise any impairment upon transition to IFRS 9 during the period ended 31 December 2019. The ICAV will also be exposed to a credit risk in relation to the counterparties with whom it transacts or places margin or collateral in respect of transactions in financial derivative instruments and may bear the risk of counterparty default.

The Fund's policy over credit risk is to minimise its exposure to counterparties with perceived higher risk of default. The Fund's credit risk is monitored on a quarterly basis by the Board of Directors.

(c) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Fund is exposed to daily cash redemptions of redeemable participating shares and monitors this activity to ensure that funds are available to meet the redemption requirements.

The Fund's actively traded securities are considered to be readily realisable as they are actively traded on recognised stock exchanges.

The Fund's financial instruments also comprise investments in OTC derivative contracts, which are not traded in an organised public market and which generally may be illiquid. As a result, the Fund may not be able to liquidate quickly some of its investments in these instruments at an amount close to its fair value in order to meet its liquidity requirements, or to respond to specific events such as a deterioration in the credit worthiness of any particular issuer.

The table below analyses the Fund's financial liabilities into relevant maturity groupings based on the financial period end at the statement of financial position date to the contractual maturity date. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

	Less than 1 month USD	**1-3 months USD**	**3-6 months months USD**	**More than 6 months USD**	**Total* USD**
Liabilities					
Due to brokers	195,369	-	-	-	195,369
Audit fees	-	-	13,348	-	13,348
Administration fees	5,716	-	-	-	5,716
Directors' fees	-	-	15,795	-	15,795
Depositary fees	1,568		-	-	1,568
Investment management fees	37,140	-		-	37,140
Performance fees	1,221	-	-	-	1,221
Other payables	14,170	11,801	-	-	25,971
Net assets attributable to holders of redeemable participating shares	57,138,475	-	-	-	57,138,475
Total liabilities and redeemable participating shares	**57,393,659**	**11,801**	**29,143**	**-**	**57,434,603**

The principal investment strategies that involve foreign securities, derivatives or securities with substantial market and/or credit risk tend to have the greatest exposure to liquidity risk. The Manager monitors the Funds' liquidity position on a daily basis, focusing on both the requirements for liquidity and that suitable assets are able to meet such requirements.

**The ICAV was incorporated on 11 December 2018 and the Fund commenced operation on 1 March 2019 and as such there are no comparatives.*

(d) Risks associated with unconsolidated structured entities

The table below summarises the Fund's interest in unconsolidated structured entities:

Issuer Name	CCY	Outstanding Nominal issued by structured entity	% of notional issued by the structured entity	Fair value of investments	Maximum exposure to loss
Alphabeta Access Products Ltd.	USD	2,590,432,250	0.24%	5,162,118	USD 5,162,118
Weser Capital Series 6 Ltd.	USD	2,500,000,000	0.25%	5,162,119	USD 5,162,119

The Fund has a maximum exposure to the risk associated with the carrying value of the above transferable securities.

12. OFFSETTING FINANCIAL INSTRUMENTS

None of the financial assets or financial liabilities are offset in the Statement of Financial Position. The disclosures set out in the table below include financial assets and financial liabilities that are subject to an enforceable master netting arrangement or similar agreement that covers similar financial instruments.

The International Swaps and Derivatives Association ("ISDA") and similar master netting arrangements do not meet the criteria for offsetting in the Statement of Financial Position. This is because they create a right of set-off of recognised amounts that is enforceable only following an event of default, insolvency or bankruptcy of the Fund or the counterparties. In addition, the Fund and its counterparties do not intend to settle on a net basis or to realise the assets and settle the liabilities simultaneously.

The following table provides disclosure regarding the potential effect of recognizes assets and liabilities presented in the Statement of Financial Position as at 31 December 2019*:

				Gross amounts not offset in the Statements of Financial Position		
Financial assets	**Gross amount of recognised financial assets USD**	**Gross amounts of financial liabilities offset in the Statements of Financial Position USD**	**Net amount of financial assets presented in the Statements of Financial Position USD**	**Financial instrument (including non-cash collateral) USD**	**Cash collateral received/ pledged USD**	**Net amount USD**
Goldman Sachs Commodity	1,014,203	(24,801)	989,402	-	-	989,402
Total	**1,014,203**	**(24,801)**	989,402	**-**	**-**	**989,402**

				Gross amounts not offset in the Statements of Financial Position		
Financial liabilities	**Gross amount of recognised financial liabilities USD**	**Gross amounts of financial liabilities offset in the Statements of Financial Position USD**	**Net amount of financial assets presented in the Statements of Financial Position USD**	**Financial instrument (including non-cash collateral) USD**	**Cash collateral received/ pledged USD**	**Net amount USD**
Goldman Sachs Commodity	(24,801)	(24,801)	-	-	-	-
Total	**(24,801)**	**(24,801)**	**-**	**-**	**-**	**-**

**The ICAV was incorporated on 11 December 2018 and the Fund commenced operation on 1 March 2019 and as such there are no comparatives.*

13. NET ASSET VALUE TABLE

The following table discloses the dealing NAV, the shares in issue and NAV per share for each share class of the Fund as at 31 December 2019*.

Share class	Shares in issue	Net asset value	Net asset value per share
Class E USD	5,051	$6,227,924	$1,232.92
Class I USD	1,739	$1,677,317	$964.48
Class I USD - series 03092019	600	$531,122	$885.21
Class D1 USD	15	$15,732	$1,051.58
Class E EUR**	26,147	€29,966,660	€1,146.07
Class E EUR - series 04112019**	300	€295,409	€984.70
Class E EUR - series 12122019**	46	€47,367	€1,019.95
Class I EUR**	10,132	€9,443,861	€932.12
Class I EUR - series 1 15052019**	2,078	€2,146,943	€1,033.10
Class I EUR - series 1 20082019**	850	€778,693	€916.11
Class I EUR - series 23102019**	200	€198,769	€993.85
Class I EUR - series 23122019**	500	€502,741	€1,005.48
Class I CHF**	36	CHF27,796	CHF765.32

** The ICAV was incorporated on 11 December 2018 and the Fund commenced operation on 1 March 2019 and as such there are no comparatives.*
***Hedged Share Classes*

14. EXCHANGE RATES

The following foreign exchange rates were used to translate transactions into USD at the period end:

	31 December 2019*
Euro	1.1217
Swiss Francs	1.0328

** The ICAV was incorporated on 11 December 2018 and the Fund commenced operation on 1 March 2019 and as such there are no comparatives.*

15. RELATED PARTY TRANSACTIONS

IAS 24 'Related Party Transactions' requires the disclosure of information relating to material transactions with parties who are deemed to be related to the reporting entity. The following transactions with related parties were entered into during the financial period.

Brian Dunleavy is a Director of the ICAV and an employee of the Manager.

Marcus Andersson is a Director of the ICAV and a principal and a Director of the Investment Manager.

The Money Laundering Reporting Officer ("MLRO") and the Company Secretary of the Fund are employees of KB Associates which is part of the same economic group as the Manager. During the period ended 31 December 2019, the MLRO fees amounted to USD 9,177 were charged to the Fund of which USD 3,796 was outstanding at the period end. The Company Secretary fees amounting to USD 9,177 were charged to the Fund of which USD 3,796 was outstanding at the period end.

The VAT Services Fees amounting to USD 4,624 were charged to the Fund of which USD 2,321 was outstanding at the period end was paid to KB Associates.

Lynx Asset Management AB is also an Investment Manager of Lynx (Cayman) Fund Limited. During the period from 11 December (date of incorporation) to 31 December, the Fund purchased 21,370,857 units and sold 15,052,639 units of Lynx (Cayman) Fund Limited. As on 31 December 2019, market value of investments in Lynx (Cayman) Fund Limited is USD 5,162,345.

None of the Directors of the ICAV hold or held shares in the Fund during the period ended 31 December 2019.

The fees for the Investment Manager and the Manager are disclosed in Note 5 of the financial statement.

With the exception of the above, there are no other related party transactions.

16. SIGNIFICANT EVENTS DURING THE PERIOD

HSBC Institutional Trust Services (Ireland) DAC merged with HSBC France on 1 April 2019 and started operating its business from a Dublin branch of HSBC France.

A supplement to the Prospectus was issued on 18 June 2019 and 02 December 2019 respectively.

Following the decision by the Directors of Fund Logic Alternatives Plc to liquidate the Company, Lynx Asset Management AB, decided to continue its investment strategy in the newly formed Lynx UCITS ICAV. On 04 March, the net assets of MS Lynx UCITS Fund (a sub-fund of Fund Logic Alternatives Plc) were transferred to the Fund.

The investment objective of the Fund is to provide shareholders with returns based on; (i) exposure to the Lynx Program; (ii) investments in transferable securities and money market instruments issued by government issuers; and (iii) investments in cash deposits and cash equivalent securities. All the investors would be notified of the initial adjustment to the HWM outlined in the table below

Share Class	Current HWM Per share (local currency) Pre May 2019	Current HWM Per share (local currency) Post May 2019	Change (%)
Class E USD	USD1,106.51	USD1,247,34	12.73
Class E EUR	€1,051.94	€1,185.83	12.73
Class I CHF	CHF708.18	CHF900.66	27.18
Class I USD	USD867.74	USD978.18	12.73
Class I EUR	€857.67	€1,041.21	21.40

There were no other significant events during the period which need to be recorded in the financial statements.

17. SUBSEQUENT EVENTS

Subsequent to year end, the development of the novel coronavirus (COVID-19) into a pandemic has had a significant impact on the world. Despite coordinated and extraordinary actions by governments and global central banks to contain the virus and support the financial system, the dramatic increase in the number of reported cases outside of China through mid-March has resulted in dislocations across financial markets. The eventual impact on the global economy and markets will largely depend upon the scale and the duration of the outbreak. The Directors, the Manager and the Investment Manager are monitoring this situation closely.

There were no material events subsequent to the statement of financial position date which require disclosure in the financial statements.

18. COMMITMENTS AND CONTINGENTS

The Fund does not have any commitments and contingents as at 31 December 2019.

19. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved by the Board of Directors on 22 April 2020.

SCHEDULE OF INVESTMENTS (UNAUDITED)

As at 31 December 2019

Holdings	Description	Fair Value USD	% of Net Asset Value
FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS			
	Investment Funds		
	Cayman Islands		
6,318,218	Lynx (Cayman) Fund Limited	5,162,345	9.03
	Total Investment Funds	**5,162,345**	**9.03**
	Fixed Income Securities		
	United States		
6000,000	US Treasury Bill 0% 30/01/2020	5,992,475	10.49
2,200,000	US Treasury Bill 0% 27/02/2020	2,194,630	3.84
14,000,000	US Treasury Bill 0% 26/03/2020	13,949,662	24.41
1,500,000	US Treasury Bill 0% 23/04/2020	1,492,708	2.61
1,300,000	US Treasury Bill 0% 30/04/2020	1,293,314	2.26
5,000,000	US Treasury Bill 0% 14/05/2020	4,971,403	8.70
6,000,000	US Treasury Bill 0% 21/05/2020	5,963,905	10.44
3,100,000	US Treasury Bill 0% 11/06/2020	3,078,523	5.39
	Total Fixed Income Securities	**38,936,620**	**68.14**
	Debt Securities		
	United States		
6,317,941	Alphabeta Access Products Limited	5,162,118	9.03
6,317,941	Weser Capital Series 6	5,162,119	9.04
	Total Debt Securities	**10,324,237**	**18.07**
	Forward Contracts[1]		
	EUR45,026,260 / USD49,694,432 03/01/2020	815,497	1.43
	EUR43,801,313 / USD49,037,672 03/02/2020	197,704	0.35
	CHF28,550 / USD28,679 03/01/2020	813	-
	CHF28,068 / USD28,870 03/02/2020	189	-
	Total Forward Contracts	**1,014,203**	**1.78**
	Total Financial Assets at Fair Value Through Profit or Loss	**55,437,405**	**97.02**

[1] The counterparty for forward contracts is Goldman Sachs.

***Forward Contracts*[1]**		
USD2,196,352 / EUR1,979,983 03/01/2020	(24,770)	(0.04)
USD1,299 / CHF1,287 03/01/2020	(31)	-
Total Forward Contracts	**(24,801)**	**(0.04)**
Total Financial Liabilities at Fair Value Through Profit or Loss	**(24,801)**	**(0.04)**
Total Financial Assets and Liabilities at Fair Value Through Profit or Loss	**55,412,604**	**96.98**
Other net assets	**1,725,871**	**3.02**
Net Assets Attributable to Holders of Redeemable Participating Shares	**57,138,475**	**100.00**

[1] The counterparty for forward contracts is Goldman Sachs.

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Analysis of Total Assets	**Amount USD**	**% of Total Asset**
Transferable securities admitted to an official stock exchange listing or traded on a regulated market	49,260,857	85.77
Investment funds	5,162,345	8.98
Financial derivative instruments traded over-the-counter	989,402	1.72
Cash and other current assets	2,021,999	3.52
Total Asset	**57.434.603**	**100.00**

SCHEDULE OF PORTFOLIO CHANGES (UNAUDITED)

As at 31 December 2019

All Purchases	**Cost in USD**
US Treasury Bill 0% 20/06/2019	14,889,405
US Treasury Bill 0% 12/09/2019	14,811,626
US Treasury Bill 0% 10/10/2019	14,772,825
US Treasury Bill 0% 26/03/2020	13,868,353
Lynx (Cayman) Fund Limited	13,718,984
Oder Capital Series 6	13,718,846
Weser Capital Series 6	13,718,846
US Treasury Bill 0% 28/03/2019	9,982,280
US Treasury Bill 0% 23/05/2019	9,944,895
US Treasury Bill 0% 30/01/2020	9,922,523
US Treasury Bill 0% 18/07/2019	9,907,045
US Treasury Bill 0% 21/05/2020	5,959,756
US Treasury Bill 0% 26/12/2019	5,460,009
US Treasury Bill 0% 27/06/2019	4,967,606
US Treasury Bill 0% 14/05/2020	4,961,286
US Treasury Bill 0% 12/12/2019	4,946,454
US Treasury Bill 0% 26/09/2019	3,965,146
US Treasury Bill 0% 11/06/2020	3,076,352
US Treasury Bill 0% 24/10/2019	2,472,618
US Treasury Bill 0% 27/02/2020	2,183,290

All Sales	**Proceeds in USD**
US Treasury Bill 0% 10/10/2019	14,988,734
US Treasury Bill 0% 12/09/2019	14,981,814
US Treasury Bill 0% 20/06/2019	14,940,819
Oder Capital Series 6	12,883,865
Weser Capital Series 6	12,883,865
Lynx (Cayman) Fund Limited	12,883,846
US Treasury Bill 0% 28/03/2019	9,991,478
US Treasury Bill 0% 23/05/2019	9,969,009
US Treasury Bill 0% 18/07/2019	9,965,462
US Treasury Bill 0% 26/12/2019	5,496,416
US Treasury Bill 0% 27/06/2019	4,996,281
US Treasury Bill 0% 12/12/2019	4,994,600
US Treasury Bill 0% 26/09/2019	3,997,122
US Treasury Bill 0% 30/01/2020	3,990,682
US Treasury Bill 0% 24/10/2019	2,498,618
US Treasury Bill 0% 29/11/2019	1,299,259
US Treasury Bill 0% 21/11/2019	999,427
US Treasury Bill 0% 25/04/2019	999,162

The portfolio changes reflects the aggregate purchases of a security exceeding one percent of the total value of purchases and aggregate disposals of a security greater than one percent of the total sales for the period. At a minimum the largest 20 purchases and largest 20 sales must be given. The full listing of the portfolio changes for the period is available, upon request, at no extra cost from the Administrator.

FUND OF FUND DISCLOSURE

Name of Fund	Domicile	Management fee %	Performance fee %
Lynx (Cayman) Fund Limited	Cayman Island	0.70%	20%

TOTAL EXPENSE RATIO

The Total Expense Ratio ("TER") is calculated according to the following formula: (total expenses / AF)* 100;

AF (= average fund assets)

	% 31 December 2019
Total Expense Ratio	**1.11%**

THE SECURITIES FINANCING TRANSACTION REGULATION DISCLOSURE

The Securities Financing Transactions Regulation ("SFTR") introduces mandatory reporting for Securities Financing Transactions ("SFTs") and sets minimum disclosure and consent requirements on the re-use of collateral with the aim of improving transparency in the SFT market.

A SFT is defined as per Article 3(11) of the SFTR as:

- a repurchase transaction;
- securities or commodities lending and securities or commodities borrowing;
- any transaction having an equivalent economic effect, in particular a buy-sell back transaction or sell-buy back transaction; or
- a margin lending transaction.

As at 31 December 2019, the Fund held no SFTs and therefore SFT reporting requirements do not apply to the Fund.

UCITS V REMUNERATION DISCLOSURES

KBA Consulting Management Limited (the "Manager") has designed and implemented a remuneration policy (the "Policy") in line with the provisions of S.I. 257 of 2013 European Union (Alternative Investment Fund Managers) Regulations 2013 ("AIFM Regulations"), S.I. 420 of 2015 (Central Bank (Supervision and Enforcement) Act 2013 Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2019 ("UCITS Regulations") and of the ESMA Guidelines on sound remuneration policies under the UCITS Directive and AIFMD (the "ESMA Guidelines").

The Manager's remuneration policy applies to its identified staff whose professional activities might have a material impact on the ICAV's risk profile and so covers senior management, risk takers, control functions and any employees receiving total remuneration that takes them into the same remuneration bracket as senior management and risk takers and whose professional activities have a material impact on the risk profile of the ICAV. The Manager's policy is to pay identified staff a fixed component with the potential for identified staff to receive a variable component. It is intended that the fixed component will represent a sufficiently high proportion of the total remuneration of the individual to allow the Manager to operate a fully flexible policy, with the possibility of not paying any variable component. When the Manager pays a variable component as performance related pay certain criteria, as set out in the Manager's remuneration policy, must be adhered to. The various remuneration components are combined to ensure an appropriate and balanced remuneration package that reflects the relevant staff rank and professional activity as well as best market practice. The Manager's remuneration policy is consistent with, and promotes, sound and effective risk management and does not encourage risk-taking, which is inconsistent with the risk profile of the ICAV.

The Investment Manager is subject to regulatory requirements on remuneration under the MIFID and it adheres to the requirements regarding remuneration, which apply to it under SYSC 19 of the UK FCA Rules and the UCITS Regulations.

Note 11 to the financial statements describe the risks associated with investing in the ICAV. For additional information regarding the ICAV's risk profile and information regarding how the Manager seeks to manage conflicts of interest, please refer to the ICAV's Prospectus.

The Investment Manager is subject to regulatory requirements on remuneration under the Financial Conduct Authority that are equally as effective as those applicable to the Manager pursuant to the UCITS Regulations.

These disclosures are made in respect of the remuneration policies of the Manager. The disclosures are made in accordance with the ESMA Guidelines. The financial year to 31 December 2019 relates to the Manager's year end.

REMUNERATION DISCLOSURE OF THE MANAGER

Total remuneration (in EUR) paid to the identified staff of the Manager fully or partly involved in the activities of the ICAV that have a material impact on the ICAV's risk profile during the financial period from 11 December 2018 (date of incorporation) to 31 December 2019:

	31 December 2019 **EUR**
Fixed remuneration	
Senior management	812,561
Other identified staffs	-
Variable remuneration	
Senior management	65,347
Other identified staffs	-
Total remuneration paid	**877,908**

Number of beneficiaries: 9

APRIL 2020

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